



Billing Code 8320-01-P

DEPARTMENT OF VETERANS AFFAIRS

[OMB Control No. 2900-0474]

Agency Information Collection Activity: Create Payment Request for the VA Funding Fee Payment System (VA Form 26-8986).

AGENCY: Veterans Benefits Administration, Department of Veterans Affairs

ACTION: Notice

SUMMARY: The Veterans Benefits Administration (VBA), Department of Veterans Affairs (VA), is announcing an opportunity for public comment on the proposed collection of certain information by the agency. Under the Paperwork Reduction Act (PRA) of 1995, Federal agencies are required to publish notice in the Federal Register concerning each proposed collection of information, including each proposed extension, of a previously approved collection for which approval has expired, and allow 60 days for public comment in response to the notice.

This notice solicits comments on information needed to exempt a veteran from paying a funding fee.

DATES: Written comments and recommendations on the proposed collection of information should be received on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Submit written comments on the collection of information through Federal Docket Management System (FDMS) at www.Regulations.gov or to Nancy J. Kessinger, Veterans Benefits Administration (20M33), Department of Veterans Affairs, 810 Vermont Avenue, NW, Washington, DC 20420 or e-mail to nancy.kessinger@va.gov. Please refer to "OMB Control No. 2900-0474" in any correspondence. During the comment period, comments may be viewed online through the FDMS.

FOR FURTHER INFORMATION CONTACT: Nancy J. Kessinger at (202) 632-8924 or FAX (202) 632-8925.

SUPPLEMENTAL INFORMATION:

Under the PRA of 1995 (Public Law 104-13; 44 U.S.C. 3501 – 21), Federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. This request for comment is being made pursuant to Section 3506(c)(2)(A) of the PRA.

With respect to the following collection of information, VBA invites comments on: (1) whether the proposed collection of information is necessary for the proper performance of VBA's functions, including whether the information will have practical utility; (2) the accuracy of VBA's estimate of the burden of the proposed collection of information; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on respondents, including

through the use of automated collection techniques or the use of other forms of information technology.

Title: Create Payment Request for the VA Funding Fee Payment System (VA Form 26-8986)

OMB Control Number: 2900-0474.

Type of Review: Revision of an approved collection.

Abstract: A funding fee must be paid to VA before a loan can be guaranteed. The funding fee is payable on all VA-guaranteed loans, i.e., Assumptions, Manufactured Housing, Refinances, and Real Estate purchase and construction loans. The funding fee is not required from veterans in receipt of compensation for service connected disability or veterans in receipt of compensation for service connected disability of veterans who, but for receipt of retirement pay, would be entitled to receive compensation for their service connected disability. Loans made to the unmarried surviving spouses of veterans (who have died in service or from service connected disability) are exempted from payment of the funding fee, regardless of whether the spouse has his/her own eligibility, provided that the spouse has used his/her eligibility to obtain a VA-guaranteed loan. For a loan to be eligible for guaranty, lender's must provide a copy of the Funding Fee Receipt or evidence the veteran is exempt from the requirement of paying the funding fee. The receipt is computer generated and mailed to the lender ID number address that was entered into an Automated Clearing House (ACH) service.

Affected Public: Business or other for profit.

Estimated Annual Burden: 13,334 hours

Estimated Average Burden Per Respondent: 2 minutes.

Frequency of Response: One time.

Estimated Number of Respondents: 400,000

By direction of the Secretary.

Cynthia Harvey-Pryor
Department Clearance Officer,
Office of Privacy and Records Management
Department of Veterans Affairs